

### **USDA Foreign Agricultural Service**

# **GAIN Report**

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## **Philippines**

## **Promotion Opportunities**

## Retail In-store Promotion with the Country's Largest Supermarket Chain

## 2004

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#### Report Highlights:

A Great American In-store Promotion will be conducted by the Agricultural Trade Office in Manila and SM Supermarket, the largest supermarket chain in the Philippines from July 1-17, 2004. SM Supermarket, through its Philippine importers will purchase and feature at least 200 new U.S. food and beverage products including pet food. The promotion includes product sampling and other merchandising support to ensure maximum exposure for the new products.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Manila [RP1]

#### I. Upcoming Promotional Activity/ Event

The announcement is provided for informational purposes only. No endorsement should be implied unless specifically stated. Terms and conditions of participation are the responsibility of the activity organizer.

# Great American In-store Promotion SM Supermarket

Dates: July 1-17, 2004

Venue: All SM Supermarket Outlets – Nationwide

Organizer: Agricultural Trade Office - Manila

#### Summary:

The Agricultural Trade Office in Manila and SM Supermarket, the largest supermarket chain in the Philippines, will conduct a Great American In-store Promotion. SM Supermarket, through its Philippine importers will purchase and feature at least 200 new U.S. food and beverage products including pet food. Product sampling opportunities will be provided to measure the market acceptability and to promote the new products. Slotting/joining fees will be waived during the promotion.

U.S. exporters are encouraged to send their product samples, merchandising collaterals, company contact info to the Agricultural Trade Office. SM Supermarket and Philippine importers will evaluate the product samples for inclusion in the promotion.

U.S. products with especially good sales potential include: candies, chips and other savory snacks, cookies and other bakery products, sauces, dressings and condiments, dog and cat food, juices, prepared meals, wine, chicken and beef, tree nuts, dried fruit, and cheese.

#### Background on SM Supermarket

SM Supermarket established its first store in 1985 and since then has expanded to 20 outlets in key cities nationwide, becoming the most dominant player in the Food Retail Industry. Company consolidated sales reached \$330 Million in FY 2003.

SM Supermarket recently renovated its first store located at the heart of Makati City, the premier commercial and business district. The new store has a more modern and upscale appeal and carries a wide selection of farm fresh produce, fresh seafood, choice cut meats and poultry, freshly-baked goods and a U.S. imported goods section.

## 11. Brief Background on the Philippine Retail Market

The Philippines is a \$ 1 billion market for imported consumer food and beverages. The U.S. exported over \$171 million of consumer ready food and beverages to the Philippines in 2002, making the Philippines the largest market for consumer ready foods in Southeast Asia and the 15th largest market for U.S. agricultural products.

The Philippines presents a dynamic market of 10 million AB market consumers that attract a broad range of premium imported food and beverages. Consumers have a preference for U.S. brands and are always on the lookout for new products.

The Philippines supermarket and HRI industry continues to modernize and expand in Metro Manila and beyond to key provincial cities. This is good news for U.S. exporters since modern chains tend to rely more on imported products than traditional Philippines corner stores and wet markets.

#### III. Post Contact and Further Information

If you need assistance or require more information regarding the promotion or other export opportunities in the Philippines please contact the U.S. Agricultural Trade Office in Manila:

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